

percentage basis than at traditional futures clearinghouses.

Modification #1 reduces the level of default resources held in the mutualized ICC guaranty fund and increases the level of resources held in initial margin (collateral).

The ICC guaranty fund is relatively much larger, as compared to traditional futures clearinghouses, in part because the guaranty fund model is currently designed to cover the uncollateralized losses that would result from the three single names that would cause the greatest losses when entering a state of default. Modification #1 incorporates into the initial margin risk model the single name that causes the greatest loss when entering a state of default (i.e., the single name that results in the greatest amount of loss when stress-tested). This change effectively collateralizes the loss that would occur from the single name that causes the greatest loss entering a state of default. Consequently, the amount of uncollateralized loss that would result from the three single names causing the greatest losses when entering a state of default is reduced, thereby reducing the amount of required guaranty fund contributions.

This change to the guaranty fund and initial margin risk model will, as noted above, result in a reduction of the guaranty fund requirements and an increase in the initial margin requirements. However, it is important to note that the decrease in the guaranty fund and the increase in initial margin requirements are not symmetrical. Instead, based upon current portfolios, for every \$1 decrease to the guaranty fund there will be a corresponding increase to the initial margin requirements of approximately \$5.

Modification #2 modifies the initial margin risk model by removing the conditional Recovery Rate stress-scenarios and adding a new Recovery Rate sensitivity component that is computed by considering changes in the Recovery Rate assumptions and their impact on the Net Asset Value of the Credit Default Swap portfolio. This modification will make it easier for market participants to measure their risk.

ICC believes that the proposed rule change is consistent with the requirements of Section 17A of the Act and the rules and regulations thereunder applicable to it. ICC believes that by reducing the level of default resources held in the guaranty fund and increasing the level of default resources held as initial margin and by modifying the initial margin risk model as described above, it is able to safeguard

securities and funds in its custody or control or for which it is responsible.

(B) Self-Regulatory Organization's Statement on Burden on Competition

ICC does not believe the proposed rule change would have any impact, or impose any burden, on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) By order approve or disapprove the proposed rule change or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-ICC-2012-03 on the subject line.

Paper Comments

Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-ICC-2012-03. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's

Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Section, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICC and on ICC's Web site at https://www.theice.com/publicdocs/regulatory_filings/ICEClearCredit_030812.pdf.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ICC-2012-03 and should be submitted on or before April 16, 2012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁵

Kevin O'Neill,
Deputy Secretary.

[FR Doc. 2012-7206 Filed 3-23-12; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-66629; File No. SR-ICEEU-2012-05]

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing of Proposed Rule Change To Amend the ICE Clear Europe CDS Procedures, Finance Procedures, and Rules With Respect to the Calculation and Payment of Interest on Mark-To-Market Margin on CDS Transactions

March 20, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on March 12, 2012, ICE Clear Europe Limited ("ICE Clear Europe") filed with the Securities

⁵ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared primarily by ICE Clear Europe. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

ICE Clear Europe proposes rule and CDS procedural amendments that are intended to modify the terms of the calculation and payment of interest on mark-to-market margin for CDS transactions. The amendments would provide further detail for calculation of interest on mark-to-market margin for CDS at the position level, but would not change the overall calculation of that interest. The amendments would also move payment of such interest from a monthly to a daily basis.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ICE Clear Europe included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICE Clear Europe has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.³

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

As noted above, the proposed rule changes consist of operational changes to the Rules, CDS Procedures and Finance Procedures ICE Clear Europe has consulted with its CDS Risk Committee, which supports the proposed amendment.

ICE Clear Europe submits proposed amendments to its CDS Procedures, Finance Procedures and Rules in relation to the calculation and payment of interest on the mark-to-market margin for CDS transactions on a daily basis. The amendments also clarify, consistent with ICE Clear Europe's current practice, mark-to-market margin and variation margin may be required to be provided by the clearing member to the clearing house or vice versa.

ICE Clear Europe proposes to update Parts 1 and 3 of its CDS Procedures to state more clearly the daily calculation of interest on mark-to-market margin for CDS transactions and to provide further detail about such calculations. The new definitions of "Daily Aggregate MTM Interest Amount," "Mark-to-Market Interest" and "Mark-to-Market Margin Balance" and the provisions of Part 3 of the CDS Procedures reflect these changes. "Daily Aggregate MTM Interest Amount" means for any Clearing Member for a currency on any day the sum of the Mark-to-Market Margin Balances in such currency for that day in respect of that Clearing Member. The Daily Aggregate MTM Interest Amount will be determined separately in respect of the Clearing Member's Proprietary Account and any relevant customer account. Where the Daily Aggregate MTM Interest Amount is positive, it will be owed by ICE Clear Europe to the relevant Clearing Member; where it is negative, the relevant Clearing Member will owe the absolute value of the Daily Aggregate MTM Interest Amount to ICE Clear Europe. "Mark-to-Market Interest" will mean interest calculated daily in accordance with the market convention for the relevant currency by applying the applicable overnight rate. "Mark-to-Market Margin Balance" will mean the sum of all Mark-to-Market Margin delivered up to, but excluding that day, by the relevant Clearing Member in respect of such CDS Contract to ICE Clear Europe less all Mark-to-Market Margin delivered up to, but excluding that day, by ICE Clear Europe in respect of such CDS Contract to such Clearing Member, as determined at the close of business on such day. Pursuant to the amendments to Section 3.1 of the CDS Procedures and 6.11(h)(iv) of the Finance Procedures, interest on Mark-to-Market Margin will be payable on a daily, rather than a monthly basis, although the interest calculation is substantially unchanged.

ICE Clear Europe believes that the proposed rule change is consistent with the requirements of Section 17A of the Act⁴ and the rules and regulations thereunder applicable to ICE Clear Europe because it amends rules and procedures which allow ICE Clear Europe to effectively manage risk. As such, it assures the safeguarding of securities and funds, which are in the custody or control of ICE Clear Europe or for which it is responsible.

(B) Self-Regulatory Organization's Statement on Burden on Competition

ICE Clear Europe does not believe the proposed rule and procedural changes would have any impact, or impose any burden, on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. ICE Clear Europe will notify the Commission of any written comments received by ICE Clear Europe.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the proposed rule change or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>) or
- Send an email to rule-comments@sec.gov. Please include File Number SR-ICEEU-2012-05 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090.

All submissions should refer to File Number SR-ICEEU-2012-05. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/>

³ The Commission has modified the text of the summaries prepared by ICE Clear Europe.

⁴ 15 U.S.C. 78q-1.

rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Section, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICE Clear Europe and on ICE Clear Europe's Web site at https://www.theice.com/publicdocs/regulatory_filings/ICE_Clear_Europe_PAI_and_MTMM_Proposed_Changes.pdf.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-ICEEU-2012-05 and should be submitted on or before April 16, 2012.

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.⁵

Kevin O'Neill,

Deputy Secretary.

[FR Doc. 2012-7204 Filed 3-23-12; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-66627; File No. SR-NYSEARCA-2012-18]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change To List and Trade Shares of the APMEX Physical—1 oz. Gold Redeemable Trust Pursuant to NYSE Arca Equities Rule 8.201

March 20, 2012.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on March 5, 2012, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of the Substance of the Proposed Rule Change

The Exchange proposes to list and trade shares of the APMEX Physical—1 oz. Gold Redeemable Trust (the "Trust") pursuant to NYSE Arca Equities Rule 8.201. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and www.nyse.com.

II. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below,

of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to list and trade Units ("Units") of the Trust under NYSE Arca Equities Rule 8.201.⁴ Under NYSE Arca Equities Rule 8.201, the Exchange may propose to list and/or trade pursuant to unlisted trading privileges ("UTP") "Commodity-Based Trust Shares."⁵ The Commission has previously approved listing on the Exchange under NYSE Arca Equities Rule 8.201 shares of the ETFs Gold Trust⁶, as well as the Sprott Physical Gold Trust.⁷ In addition, the Commission has approved listing on the Exchange of streetTRACKS Gold Trust and iShares COMEX Gold Trust.⁸ Prior to their listing on the Exchange, the Commission approved listing of the streetTRACKS Gold Trust on the New York Stock Exchange ("NYSE") and listing of iShares COMEX Gold Trust on the American Stock Exchange LLC.⁹

⁴ See the Registration Statement for the Trust on Form F-1, filed with the Commission on December 23, 2011 (No. 333-178745) (as amended, the "Registration Statement"). The descriptions of the Trust, the Units and the gold market contained herein are based, in part, on the Registration Statement.

⁵ Commodity-Based Trust Shares are securities issued by a trust that represent investors' discrete identifiable and undivided beneficial ownership interest in the commodities deposited into the Trust.

⁶ Securities Exchange Act Release No. 59895 (May 8, 2009), 74 FR 22993 (May 15, 2009) (SR-NYSEARCA-2009-40).

⁷ Securities Exchange Act Release No. 61496 (February 4, 2010), 75 FR 6758 (February 10, 2010) (SR-NYSEARCA-2009-113).

⁸ See Securities Exchange Act Release Nos. 56224 (August 8, 2007), 72 FR 45850 (August 15, 2007) (SR-NYSEARCA-2007-76) (approving listing on the Exchange of the streetTRACKS Gold Trust); 56041 (July 11, 2007), 72 FR 39114 (July 17, 2007) (SR-NYSEARCA-2007-43) (order approving listing on the Exchange of iShares COMEX Gold Trust).

⁹ See Securities Exchange Act Release Nos. 50603 (October 28, 2004), 69 FR 64614 (November 5, 2004) (SR-NYSE-2004-22) (order approving listing of streetTRACKS Gold Trust on NYSE); 51058 (January 19, 2005), 70 FR 3749 (January 26, 2005) (SR-Amex-2004-38) (order approving listing of iShares COMEX Gold Trust on the American Stock Exchange LLC).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁵ 17 CFR 200.30-3(a)(12).